DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEALTH CARE FINANCING ADMINISTRATION

FORM APPROVED
OMB NO. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER: 0 3 — 0 2 8

2. STATE: Indiana

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
11/1/03

5. TYPE OF PLAN MATERIAL *(Check One)*:

☐ NEW STATE PLAN ☒ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☐ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT *(Separate Transmittal for each amendment)*

6. FEDERAL STATUTE/REGULATION CITATION:
42CFR 440.130

7. FEDERAL BUDGET IMPACT:
a. FFY 2004 ~~$6,971,810~~ $8,341,226.00
b. FFY 2005 $7,605,611 $4,099,520.00

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
~~Supplement~~ 1 Att. 3.1-A, pgs ~~20 & 21~~ 8-10
Attachment 4.19-B, pgs ~~4a~~ 4 and 4a

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*:
~~Supplement 1 Attachment 3.1-A~~
Attachment 3.1-A, pgs 8-10
Attachment 4.19-B, pgs ~~4a~~ 4 and 4a and 4b

10. SUBJECT OF AMENDMENT:
Adds coverage for Assertive Community Treatment (ACT) intensive case management services

11. GOVERNOR'S REVIEW *(Check One)*:

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
☐ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:
Melanie Bella

13. TYPED NAME:
Melanie Bella

14. TITLE:
Asst. Secretary, Medicaid Policy & Planning

15. DATE SUBMITTED:
7/31/03

16. RETURN TO:
Melanie Bella
Assistant Secretary
Office of Medicaid Policy & Planning
402 W. Washington St., Rm W382
Indpls., IN 46204
ATTN: T Brunner, State Plan Coordinator

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:
8/7/03

18. DATE APPROVED:
4/26/04

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
11/1/03

20. SIGNATURE OF REGIONAL OFFICIAL:
Cheryl A. Harris

21. TYPED NAME:
Cheryl A. Harris

22. TITLE:
Associate Regional Administrator
Divisionof Medicaid and Children's Health

23. REMARKS:

RECEIVED
AUG 07 2003
DMCH/ARA

FORM HCFA-179 (07-92)

Instructions on Back

13.b. Screening services — Reimbursement is available subject to the limitations set out in 405 IAC 5.

13.c. Preventive services — Reimbursement is available subject to the limitations set out in 405 IAC 5.

13.d. Rehabilitative services — Reimbursement is available subject to the limitations set out in 405 IAC 5. All services must be medically necessary. Educational services are not covered. All therapies provided in a rehabilitation center must be provided in accordance with 405 IAC 5-32-1 through 3.

13.d.1. Community Mental Health Rehabilitation services — Reimbursement is available for community mental health rehabilitation services, which are defined as:

(1) Outpatient Mental Health services. Refers to mental health clinical services provided to individuals, families, or groups of persons who are living in the community and who need aid on an intermittent basis for emotional disturbances of mental illness including but not limited to, diagnostic assessment; pre-hospitalization screening; individual, conjoint or family counseling/ psychotherapy; crisis intervention; medication/somatic treatment; and training in activities of daily living. Components include: (A) clinical attention in the home, work place, mental health facility, emergency room, or wherever urgently needed; and (B) may include the emergency provision of chemotherapy, first aid or other medical care.

(2) Partial Hospitalization services. Partial hospitalization services refers to a group activity program provided two or more hours per day for individuals who need less than full-time hospitalization but more extensive and structured treatment than on an intermittent, hourly basis, and provided in the following manner: (A) provided on part-days, evenings or weekends; and (B) provided by a clinical team.

(3) Case Management services. Refers to those services described in Supplement 1 to Attachment 3.1A, pgs 7-10.

(4) Assertive Community Treatment (ACT). Assertive Community Treatment (ACT) is an intensive mental health service for consumers discharged from a hospital after multiple or extended stays, or who are difficult to engage in treatment. ACT comprises intensive, integrated rehabilitative, crisis, treatment and community support services provided by an interdisciplinary staff team, which are available 24-hours/seven days a week and must be ordered by a physician. Services provided by the ACT team must be documented in an individual Treatment Plan and must include (in addition to those provided by other systems): medication administration and monitoring; self medication monitoring; crisis assessment and intervention; symptom assessment, management and individual supportive therapy; substance

abuse training and counseling; psychosocial rehabilitation and skill development; personal, social, and interpersonal skill training; coordination with case management, consultation, and psycho-educational support for individuals and their families provided on behalf of the individual ACT consumer. This service is community-based. The ACT team comprises the following staff, at a minimum: a team leader who is a qualified mental health professional as defined in 405 IAC 5-21-1(c), one psychiatrist per 50 active ACT consumers, one registered nurse, one substance abuse specialist, and supporting team members as defined in 440 IAC 5.2-2-3.

Limitations. Medicaid will reimburse for community mental health rehabilitation services when:

(a) provided to a person requiring mental health services;
(b) provided by personnel who meet appropriate federal, state and local regulations for their respective discipline or are under the supervision/direction of a qualified mental health professional; and
(c) provided through a mental health center that meets applicable federal, state and local laws concerning the operation of community mental health centers, including but not limited to licensure, certification, organization, staffing, service provision, maintenance of health records, quality assurance and program evaluation;
(d) provided by mental health providers approved by the Department of Mental Health under IC 16-16-1 and in accordance with 440 IAC 4-1 through 6.

The supervising physician or health service provider in psychology (HSPP) bears the ultimate responsibility for certifying the diagnosis and plan of treatment. The supervising physician or HSPP is responsible for seeing the patient during the intake process or reviewing information submitted by the qualified mental health professionals and approving the initial treatment plan within seven days. The supervising physician or HSPP must see the patient or review the treatment plan submitted by the qualified mental health professional at intervals not to exceed ninety days. These reviews must be documented in writing.

A qualified mental health professional is defined as:

(1) a psychiatrist
(2) a physician
(3) a licensed psychologist or a psychologist endorsed as a health service provider psychology (HSPP)
(4) an individual who has had at least two years of clinical experience treating persons with mental illness, under the supervision of any of the persons listed above in (1), (2), or (3), such experience occurring after the completion of a master's degree or doctoral degree, or both, in

any of the following disciplines:

(a) in psychiatric or mental health nursing from an accredited university plus a license as a registered nurse in Indiana
(b) in social work from a university accredited by the Council on Social Work Education
(c) in psychology from an accredited university
(d) in mental health counseling from an accredited university
(e) in pastoral counseling from an accredited university
(f) in rehabilitation counseling from an accredited university
(g) in marital and family therapy from an accredited university.

(5) a licensed independent practice school psychologist, under the supervision of the persons listed above in (1), (2), or (3),

(6) an individual who has documented education, training, or experience, comparable or equivalent to those listed in this subsection, as approved by the supervising physician or HSPP, under the supervision of any of the persons listed above in (1), (2), or (3)

(7) an advanced practice nurse under IC 25-23-1-1(b)(3) who is credentialed in psychiatric or mental health nursing by the American Nurses Credentialing Center, under the supervision of any of the persons listed above in (1), (2) or (3).

14.	Services for individuals age 65 or older in institutions for mental diseases	Provided with limitations.
14.a.	Inpatient hospital services	Reimbursement is available for medically necessary services in an inpatient psychiatric facility only when the recipient's need for admission has been certified in accordance with the applicable requirements set out in 405 IAC 5-20-5. Reimbursement is available for emergency admission only in cases of a sudden onset of a psychiatric condition manifesting itself by acute symptoms of such severity that the absence of immediate medical attention could reasonably be expected to result in danger to the individual, danger to others, or death of the individual. Reimbursement is subject to the limitations set out in 405 IAC 5.

TARGETED CASE MANAGEMENT

1. HIV Infected Individuals

Reimbursement for case management services shall be on a fee-for-service basis.

The rate will be established by the Medicaid agency. A survey process will be utilized to establish an equitable rate. Service organizations throughout the State (urban and rural) that currently provide specialized case management services to HIV positive persons will be surveyed. The Medicaid agency will formulate a rate based on the results of this survey process. Organizations surveyed will be limited to those currently providing similar services as defined in this plan and whose case managers possess similar qualifications to those enumerated in Supplement 1 to Attachment 3.1-A.

The unit of service shall be a quarter hour segment.

2. Pregnant Women

Reimbursement for case management services for pregnant women shall be on a fee-for-service basis. The rate shall be established by the Medicaid agency based on actual costs of basic case management services from data collected from pilot projects conducted by the I.U. School of Nursing in urban and rural settings. These projects are providing services similar to those described in this plan and employ case managers possessing similar qualifications to those enumerated in Supplement 1 to Attachment 3.1-A. The cost figures provided by the projects are based on salary and benefits divided by the average amount of time spent providing case management services to each recipient. The average cost per recipient is divided into discrete components of care (i.e., initial assessment, reassessment, postpartum assessment) and reimbursed separately as an incentive to initiate services as early as possible in the pregnancy.

Mileage will be reimbursed at the rate per mile allowed by the State Legislature for State employees.

3. Persons Identified as Seriously Mentally Ill or Seriously Emotionally Disturbed

Payments will be based upon the lower of the provider's submitted charge or the Medicaid maximum allowance for the procedure billed. Maximum allowances are established by the Division of Mental Health based upon a review of like charges by similar providers throughout the State.

4. Low Functioning Severely and Persistently Mentally Ill Adults Needing Assertive Community Treatment (ACT)

Reimbursement for Assertive Community Treatment (ACT) services shall be on a fee-for-service basis.

The fee-for-service payment for Assertive Community Treatment services shall be established by the Medicaid Agency based on the operational expenses of a certified Assertive Community Treatment Team, as reported by the Division of Mental Health and Addiction (DMHA). DMHA will survey certified ACT teams that currently provide ACT services to low functioning seriously and persistently mentally ill adults to collect provider operational expenses. The operational expense cost figures provided by DMHA will be based on salary and benefits of ACT Team members and OMPP will divide the operational expenses by the average amount of time spent providing ACT services to each eligible recipient to establish the rate.

The unit of service will be per daily Assertive Community Treatment (ACT) Team meeting when the ACT enrollee's case is discussed, documented, and coordinated. Therefore, the unit of service equals one 24-hour business day.

5. Individuals with Developmental Disabilities

Reimbursement for case management services for individuals with developmental disabilities shall be on a fee-for-service basis. The rate is the current rate for case management services under the Medicaid HCBS waivers that serve individuals with developmental disabilities.

6. Case Management for Elderly or Disabled Individuals Diverted/Deinstitutionalized from Nursing Facilities

Reimbursement for case management services for the targeted population is paid on a fee-for-service basis. The rate is the current rate for case management services under the Medicaid HCBS waivers that serve elderly or disabled individuals with nursing facility level of care.